



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.08

Voluntary Report - public distribution

Date: 10/16/2003

GAIN Report Number: VE3012

Venezuela

Oilseeds and Products

Venezuela's Oilseed Imports Down, But US Market Share Improves

2003

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Report Highlights:

Venezuela's total imports of oilseeds are down as compared to 2001/02 due to a combination of foreign exchange controls, a restrictive import-licensing scheme and significant drops in food demand. But, soybean meal imports from the United States in 2002/03 increased by 159 percent as compared to last marketing year.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Unscheduled Report
Caracas [VE1]
[VE]

GENERAL

Venezuela's total imports of oilseed products (soybean, soybean oil and soybean meal) are falling as compared to 2001/02. Soybean imports have dropped by almost 100 percent, followed by reduced imports of soybean oil and soybean meal. Foreign exchange controls, a restrictive import-licensing scheme and significant drops in food demand are the reasons behind falling oilseed imports.

However, soybean meal imports from the United States are reaching significant higher levels as compared to previous years, because Bolivian suppliers are not confident of payment procedures due to foreign exchange controls. Venezuela's soybean meal imports from the United States reached 218,000 metric tons in 2002/03, 159 percent as compared to last marketing year.

Post forecast for 2003/2004 is for modest growth if economic conditions of the country improve. If consumers can increase their purchasing power, demand for end-products will grow, and if foreign exchange restrictions are lifted, producers access to imported oilseed products will improve. This report also includes revised trade tables for 2001/02 based on official Government of Venezuela (GOV) data.

SOYBEAN SEED

Domestic production of soybeans is minimal therefore; imported soybean products satisfy all local market requirements. Soybeans were imported and crushed domestically to produce oil and meal. Currently, there is no domestic crush of soybeans since the main crusher has been denied access to import licenses. Licenses have recently been granted for 25,000 tons and crush is expected to resume shortly.

SOYBEAN MEAL

Soybean meal production collapsed due to the sharp fall of domestic soybean crushing. The major consumers, feed processors for the local poultry and swine industries have reduced purchases due to depressed demand for end-products for the poultry and pork sectors.

Bolivia has been Venezuela's recent supplier of soybeans and soybean meal for the past three years because as a member country of the Andean Community it does not require import licenses and tariffs are zero. During the first stages of Venezuela's foreign exchange control, payment procedures for intra Andean Community imports were unclear, creating reservations among Bolivian exporters, which limited shipments to Venezuela.

At the same time, following Venezuela's two-month general strike (December 2002-January 2003) soybean meal stocks were depleted and importers were in need of replenishing it. US soybean meal became an option for the Venezuelan industry due to its proximity and availability as opposed to Bolivian product.

The proximity of US ports to Venezuela provides a relative short delivery time, which can be of an average of 7 to 10 days. Bolivian product imports can be shipped in an average of 21 days. Other South American suppliers also have shipping time averages of 20 days.

The variety of feed ingredients that the US can supply and effectively be loaded and shipped to Venezuela, including yellow corn, soybean meal, yellow grease, cereal grouts, etc. turns to be a significant gain over Bolivian shipments, which generally, can only load soybean and soybean meal.

SOYBEAN OIL

Venezuela's vegetable oil production depends on imports. Over the last year, edible oil prices have gone up over 199% (in Bolivar terms), the most of any basic food product. This has had a dampening effect on demand, which is estimated to be down by 11% for soybean oil in 2002/03. The GOV included vegetable oil on the list of price control products but this had only a modest effect on controlling price increases. For additional information about food price control, please refer to GAIN report VE3008.

Soybean oil imports are projected to increase during next marketing year if the Venezuelan economy shows signs of recovery and consumer's purchasing power improves along the way. Soybean oil imports from South American suppliers continue to have the benefit of preferential tariff with Venezuela, and will be able to reassume previous import levels rapidly.

PSD Table

Country	Venezuela						
Commodity	Oilseed, Soybean				(1000 HA)	(1000 MT)	
	Revised Old	2002 New	Preliminary Old	2003 New	Forecast Old	2004 New	UOM
Market Year Begin		10/ 2001		10/ 2002		10/ 2003	MM/YYYY
Area Planted	6	6	6	2	6	2	(1000 HA)
Area Harvested	6	6	6	2	6	2	(1000 HA)
Beginning Stocks	4	4	3	0	2	0	(1000 MT)
Production	10	10	10	2	6	2	(1000 MT)
MY Imports	176	70	120	10	150	50	(1000 MT)
MY Imp. from U.S.	80	42	60	4	85	25	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	190	84	133	12	158	52	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Crush Dom. Consumption	185	82	125	10	156	50	(1000 MT)
Food Use Dom. Consump	1	1	1	1	1	1	(1000 MT)
Feed,Seed,Waste Dm.Cn	1	1	1	1	1	1	(1000 MT)
TOTAL Dom. Consumptic	187	84	127	12	158	52	(1000 MT)
Ending Stocks	3	0	6	0	4	0	(1000 MT)
TOTAL DISTRIBUTION	190	84	133	12	162	52	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

PSD Table

Country Commodity	Venezuela		(1000 MT)(PERCENT)				UOM
	Meal	Soybean					
	Revised Old	2002 New	Preliminary Old	2003 New	Forecast Old	2004 New	
Market Year Begin	10/ 2001			10/ 2002		10/ 2003	MM/YYYY
Crush	185	82	125	10	156	50	(1000 MT)
Extr. Rate, 999.9999	0.783784	0.780488	0.8	0.8000	0.8013	0.8	(PERCENT)
Beginning Stocks	74	74	30	30	18	30	(1000 MT)
Production	145	64	100	8	125	40	(1000 MT)
MY Imports	527	482	515	490	550	490	(1000 MT)
MY Imp. from U.S.	65	18	200	219	210	220	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	746	620	645	528	693	560	(1000 MT)
MY Exports	45	1	100	1	100	1	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump	2	2	2	2	2	2	(1000 MT)
Feed Waste Dom. Consum	669	590	525	495	553	530	(1000 MT)
TOTAL Dom. Consumptio	671	592	527	497	555	532	(1000 MT)
Ending Stocks	30	27	18	30	38	27	(1000 MT)
TOTAL DISTRIBUTION	746	620	645	528	693	560	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

PSD Table

Country Commodity	Venezuela		(1000 MT)(PERCENT)				UOM
	Oil, Soybean						
	Revised Old	2002 New	Preliminary Old	2003 New	Forecast Old	2004 New	
Market Year Begin		10/ 2001		10/ 2002		10/ 2003	MM/YYYY
Crush	185	82	125	10	156	50	(1000 MT)
Extr. Rate, 999.9999	0.178378	0.170732	0.184	0.1800	0.192308	0.18	(PERCENT)
Beginning Stocks	6	6	18	17	10	20	(1000 MT)
Production	33	14	23	2	30	9	(1000 MT)
MY Imports	214	214	195	191	205	221	(1000 MT)
MY Imp. from U.S.	3	3	5	0	5	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	253	234	236	210	245	250	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	5	5	5	5	5	5	(1000 MT)
Food Use Dom. Consump	230	212	221	185	225	230	(1000 MT)
Feed Waste Dom. Consum	0	0	0	0	0	0	(1000 MT)
TOTAL Dom. Consumptio	235	217	226	190	230	235	(1000 MT)
Ending Stocks	18	17	10	20	15	15	(1000 MT)
TOTAL DISTRIBUTION	253	234	236	210	245	250	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Import Trade Matrix			
Country	Venezuela		
Commodity	Oilseed, Soybean		
Time period	10/ 00	Units:	1, 000 mt
Imports for:	2001		2002
U.S.	67	U.S.	42
Others		Others	
Arg e n t i n a	26	Br a s i l	19
Br a z i l	68	Bol i v i a	9
Bol i v i a	23		
Total for Others	117		28
Others not Listed			
Grand Total	184		70

Import Trade Matrix			
Country	Venezuela		
Commodity	Meal, Soybean		
Time period	10/ 00	Units:	1, 000 mt
Imports for:	2001		2002
U.S.	118	U.S.	19
Others		Others	
Ar gent i na	5	Ar gent i na	31
Bol i vi a	395	Bol i vi a	416
Br asi l	19	Canada	5
Chi l e	6	Par aguay	4
Cur acao	1	Ur uguay	7
Panama	1		
Par aguay	51		
Per u	3		
Ur uguay	52		
Total for Others	533		463
Others not Listed	1		
Grand Total	652		482

Import Trade Matrix			
Country	Venezuela		
Commodity	Oil, Soybean		
Time period	10/ 00	Units:	1, 000 mt
Imports for:	2001		2002
U.S.	8	U.S.	3
Others		Others	
Ar gent i na	60	Ar gent i na	32
Bol i vi a	85	Bol i vi a	107
Par aguay	31	Par aguay	51
Ur uguay	11	Ur uguay	18
Total for Others	187		208
Others not Listed	1		3
Grand Total	196		214